NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

Producers 8B (4-89) — Paid Up With 640 Acres Pooling Provision STANDARD LEASE v.5

## PAID UP OIL AND GAS LEASE (No Surface Use)

THIS LEASE AGREEMENT Is made this	_20_ day of	August	, 2009, by and between	
Kim Harrison	A married De	eison herein an	of joined by spoose	100
whose addresss is <u>1817 Hou a</u> and, <u>DALE PROPERTY SERVICES</u> , <u>L.L.C.</u> , <u>2400</u> hereinabove named as Lessee, but all other provis 1. In consideration of a cash bonus in hadescribed land, hereinafter called leased premises	h ton H C F  ) Ross Avenue, Suite 1070 D  slons (including the completion and paid and the covenants he	ort Worth, Te allas Texas 75201, as Lessee. of blank spaces) were prepared je	All printed portions of this lease were pre- olntly by Lessor and Lessee.	
ACRES OF LAND, MORE	OR LESS, BEING LOT(	s)	, BLOCK	4
OUT OF THE Echo Heigh Fort Worth IN VOLUME 388-14 P	TARRANT CO	DUNTY, TEXAS, ACCOR OF THE PLAT RECO	ADDITION, AN ADDITION TO DING TO THAT CERTAIN PLAT RDS OF TARRANT COUNTY, T	RECORDED
in the County of Tarrant, State of TEXAS, contreversion, prescription or otherwise), for the purp substances produced in association therewith (commercial gases, as well as hydrocarbon gases land now or hereafter owned by Lessor which are Lessor agrees to execute at Lessee's request any of determining the amount of any shut-in royalties	oose of exploring for, developli including geophysical/selsmic s. In addition to the above-des a contiguous or adjacent to the additional or supplemental inst	ng, producing and marketing oil operations). The term "gas" as cribed leased premises, this leas above-described leased premise ruments for a more complete or a	and gas, along with all hydrocarbon and s used herein includes hellum, carbon se also covers accretions and any small s as, and, in consideration of the aforement accurate description of the land so covered	I non hydrocarbon dloxide and other strips or parcels of ioned cash bonus, i. For the purpose
<ol><li>This lease, which is a "paid-up" lease red as long thereafter as oil or gas or other substance otherwise maintained in effect pursuant to the pro</li></ol>	is covered hereby are produced	rce for a primary term of $\frac{f}{f}$ in paying quantities from the lea	( ) years from the dised premises or from lands pooled therev	
3. Royalties on oil, gas and other substand separated at Lessee's separator facilities, the ro Lessor at the wellhead or to Lessor's credit at the the wellhead market price then prevailing in the preyalling price) for production of similar grade the prevailing price for production of similar grade the continuing right to purchase such production prevailing in the same field, then in the near nearest preceding date as the date on which Less the leased premises or lands pooled therewith are hydraulic fracture stimulation, but such well or well be producing in paying quantities for the purpose being sold by Lessee, then Lessee shall pay shut depository designated below, on or before the enare shut-in or production there from is not being Lessee from another well or wells on the leased pof such operations or production. Lessee's failure 4. All shut-in royalty payments under this lebe Lessor's depository agent for receiving payment and the such payments or tenders to Lessor or payment hereunder, Lessor shall, at Lessee's requested for lands and such payments or tenders to Lessor or payment hereunder, Lessor shall, at Lessee's requested for lands pooled therewith, or if all propursuant to the provisions of Paragraph 3. a premises or lands pooled therewith the end of the primary term, or at any time there operations reasonably calculated to obtain or rest no cessation of more than 90 consecutive days, there is production in paying quantities from the Lessee shall drill such additional wells on the leased premises aronally calculated to obtain or rest no cessation of more than 90 consecutive days, there is production in paying quantities from the leased premises aronally calculated to obtain or rest no cessation of more than 90 consecutive days, there is production in paying quantities from the leased premises aronally calculated to obtain or rest no cessation of more than 90 consecutive days, there is production in near the paying quantities from the leased premises aronally calculated to obtain or the leased premises	pes produced and saved hereutyalty shall be to ill purchaser's transportation same field (or if there is no sure and gravity; (b) for gas (inc.) of the proceeds realized by curred by Lessee in delivering, silon at the prevailing wellhead itest field in which there is such ee commences its purchases he capable of either producing oils are either shut-in or producing oils are either shut-in or producing of maintaining this lease. If for the interest is provided that of maintaining this lease. If for the royalty of one dollar per act of said 90-day period and the sold by Lessee; provided that or misses or lands pooled therever to properly pay shut-in royalty lease shall be paid or tendered in the regardless of changes in the tothe depository by deposit in payment. If the depository should be paid or tendered in the regardless of changes in the tothe depository by deposit in payment. If the depository should be paid or tendered in the depository of the payment. If the depository is payment, if the depository is payment, if the depository is payment, if the depository is payment. If the depository is payment, if the depository is payment in the depository is payment. If the depository is payment is payment in the depository is payment. If the depository is payment is payment. If the depository is payment is payment. If the depository is payment is payment is payment. If the depository is payment is payment. If the depository is payment is payment. If the depository is payment is payment. If the payment is payment is payment is payment. If the payment is payment is payment is	radilities, provided that Lessee sho price then prevailing in the saluding casing head gas) and ay Lessee from the sale thereof, le processing or otherwise marketim arrect price paid for production or a prevailing price) pursuant to dereunder; and (c) if at the end of lorgas or other substances cover there from is not being sold by a period of 80 consecutive days a then covered by this lease, sucreafter on or before each anniver if this lease is otherwise being with, no shut-in royally shall be dust hall render Lessee liable for the covereship of said land. All payment to US Mails in a stamped enveloud liquidate or be succeeded by recordable instrument naming and in the US Mails in a stamped envelous linguistation well or for drilling an add to of operations on such dry hole on the seed of the production of oil or gas of therewith as a reasonably prudent. In paying quantities on the lease other lands not pooled therewith.	of such production, to be delivered at a least have the continuing right to purchase a sme field, then in the nearest field in which the season field, then in the nearest field in which all other substances covered hereby, these a proportionate part of ad valorem taxing such gas or other substances, provided of similar quality in the same field (or if the comparable purchase contracts entered in the primary term or any time thereafter one ared hereby in paying quantities or such we be a such well or wells are shut-in or production or wells or wells are shut-in or production to the payment to be made to Lessor or to Lessary of the end of said 90-day period whith maintained by operations, or if production amount due, but shall not operate to terminate the substances above or its successive in the same or tenders may be made in currency tope addressed to the depository or to the another institution, or for any reason fail on other institution, as depository agent to reverying quantities (hereinafter called "dry have see from any cause, including a revision sease is not otherwise being maintaine and the institution of the remained well or for otherwise obtaining or to within 90 days after such cessation of a Lessee is then engaged in drilling, reword as any one or more of such operations as a well capable of producing in paying qui operator would drill under the same or sime ed premises or lands pooled therewith, on There shall be no covenant to drill exploration.	Lessee's option to such production at ch there is such a e royalty shall be es and production, difat Lessee shall re is no such price ito on the same or e or more wells on vells are walting on less be deemed to whe is sor's credit in the letthe well or wells in is being sold by following cessation inate this lease. essor's the lest or refuse to accept ceive payments, ole") on the leased of unit boundaries ed in force it shall astoring production. If at orking or any other we prosecuted with long thereafter as antitles hereunder, nilar circumstances r (b) to protect the veratory wells or any other veratory wells or any
additional wells except as expressly provided here  6. Lessee shall have the right but not the depths or zones, and as to any or all substance proper to do so in order to prudently develop or o unit formed by such pooling for an oil well which horizontal completion shall not exceed 640 acres completion to conform to any well spacing or den of the foregoing, the terms "oil well" and "gas we prescribed, "oil well" means a well with an initial g feet or more per barrel, based on 24-hour proc equipment; and the term "horizontal completion" component thereof. In exercising its pooling right Production, drilling or reworking operations any reworking operations on the leased premises, exe	obligation to pool all or any parts covered by this lease, either perate the leased premises, within so not a horizontal completion is plus a maximum acreage tolers sity pattern that may be prescript shall have the meanings prease of ratio of less than 100,000 incition test conducted under means an oil well in which the means an oil well in which the testers on a well which leadings.	before or after the commencemelether or not similar pooling author hall not exceed 80 acres plus as ance of 10%; provided that a large bed or permitted by any governmenthed by applicable law or the cubic feet per barrel and "gas wormal producing conditions using the horizontal component of the procord a written declaration.	ient of production, whenever Lessae deel orlty exists with respect to such other land maximum acreage tolerance of 10%, and er unit may be formed for an oil well or ga nental authority having jurisdiction to do st appropriate governmental authority, or, if rell" means a well with an initial gas-oil rati ng standard lease separator facilities or gross completion interval in facilities or oss completion interval in the reservoir ex describing the unit and stating the effectin remises shall be treated as if it were pro-	ms it necessary or a so rinterests. The for a gas well or a s well or a seell or the purpose in or definition is so to of 100,000 cubic equivalent testing equivalent testing exceeds the vertical we date of pooling, aduction, drilling or

reworking operations on the leased premises, except that the production on which Lessor's royalty is calculated shall be that proportion of the total unit production which the net acreage covered by this lease and included in the unit bears to the total gross acreage in the unit, but only to the extent such proportion of unit production is sold by Lessee. Pooling in one or more instances shall not exhaust Lessee's pooling rights hereunder, and Lessee shall have the recurring right but not the obligation to revise any unit formed hereunder by expansion or contraction or both, either before or after commencement of production, in order to conform to the well spacing or density pattern prescribed or permitted by the governmental authority having jurisdiction, or to conform to any productive acreage determination made by such governmental authority. In making such a revision, Lessee shall file of record a written declaration describing the revised unit and stating the effective date of revision. To the extent any portion of the leased premises is included in or excluded from the unit by virtue of such revision, the proportion of unit production on which royalties are payable hereunder shall thereafter be adjusted accordingly. In the absence of production in paying quantities from a unit, or upon permanent cessation thereof, Lessee may terminate the unit by filing of record a written declaration describing the unit and stating the date of termination. Pooling hereunder shall not constitute a cross-conveyance of interests.

7. If Lessor owns less than the full mineral estate in all or any part of the leased premises or lands pooled therewith shall be reduced to the proportion that Lessor's Interest in such part of the leased premises bears to the full mineral estate in such part of the leased premises bears to the full mineral estate in

8. The interest of either Lessor or Lessee hereunder may be assigned, devised or otherwise transferred in whole or in part, by area and/or by depth or zone, and the rights and obligations of the parties hereunder shall extend to their respective heirs, devisees, executors, administrators, successors and assigns. No change in Lessor's ownership shall have the effect of reducing the rights or enlarging the obligations of Lessee hereunder, and no change in ownership shall be binding on Lessee until 60 days ownership shall have the effect of reducing the rights or enlarging the obligations of Lessee hereunder, and no change in ownership shall be binding on Lessee until 60 days after Lessee has been furnished the original or certified or duly authenticated copies of the documents establishing such change of ownership to the satisfaction of Lessee or until Lessoe has satisfied the notification requirements contained in Lessee's usual form of division order. In the event of the death of any person entitled to shut-in royalties to the credit of decedent or decedent's estate in the depository designated above. If at any time two or more persons are entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to such persons or to their credit in the depository, either jointly or separately in proportion to the interest which each owns. If Lessee transfers its interest hereunder in whole or in part Lessee shall be relieved of all obligations thereafter arising with respect to the transferred interest, and failure of the transferred to satisfy such obligations, with respect to the transferred interest shall not affect the rights of Lessee with respect to any interest not so transferred. If Lessee transfers a full or undivided interest in all or any portion of the area covered by this lease, the obligation to

pay or tender shul-in royalties hereunder shall be divided between Lessee and the transferee in proportion to the net acreage interest in this lesse then held by each.

9. Lessee may, at any time and from time to time, deliver to Lessor or file of record a written release of this lesse as to a full or undivided interest in all or any portion of the area covered by this lease or any depths or zones there under, and shall thereupon be relieved of all obligations thereafter arising with respect to the Interest so released. If Lessee releases all or an undivided interest in less than all of the area covered hereby, Lessee's obligation to pay or tender shut-in royalities shall be proportionately reduced

In accordance with the net acreage interest retained hereunder.

If Lessee releases all or an undivided Interest in less than all of the area covered hereby, Lessee's obligation to pay or tender shut-in royalties shall be proportionately reduced in accordance with the net acreage interest retained hereunder.

10. In exploring for, developing, producting and marketing oil, gas and other substances covered hereby on the leased premises or lands pooled or unitized herewith, in primary and/or enhanced recovery, Lessee shall have the right of ingress and egress along with the right to conduct such operations on the leased premises as may be reasonably necessary for such purposes, Including but not limited to geophysical operations, the drilling of wells, and the construction and use of roads, canals, pipelines, tanks, water wells, disposal walls, injection wells, pits, electric and telephone lines, power stations, and other facilities deemed necessary by Lessee to discover, produce, store, treat and/or transport production. Lessee may use in such operations, free of cost, any oil, gas, water and/or other substances produced on the leased premises or walls or ponds. In exploring, developing, producing or marketing from the leased premises or lands pooled therewift, the anciliary rights granted herein shall apply (a) to the entire leased premises described in Paragraph 1 above, notwithstanding any partial release or other partial termination of this lease, and (b) to any other lands used by Lessor in hereafter has authority to grant such rights in the violity of the leased premises or lands pooled therewift. When requested by Lessor in writing, Lessee shall bury its pipelines below ordinary plow depth on cuttivated lands. No well shall be located less than 200 feet from any house or barn now on the leased premises or such other lands used by Lessor and the premises or such other lands used by Lessor in writing, and to commercial timber and growing crops thereon. Lessee shall have the right at any time to remove its fixtures, equipment and materials, including well casing, from the

and all other pertinent terms and conditions of the offer. Lessee, for a period of fifteen days after receipt of the notice, shall have the prior and preferred right and option to purchase the lease or part thereof or interest therein, covered by the offer at the price and according to the terms and conditions specified in the offer.

13. No litigation shall be initiated by Lessor with respect to any breach or default by Lessee hereunder, for a period of at least 90 days after Lessor has given Lessee written notice fully describing the breach or default, and then only if Lessee falls to remedy the breach or default, within such period. In the event the matter is illigated and there is a final judicial determination that a breach or default has occurred, this lease shall not be forfeited or canceled in whole or in part unless Lessee is given a reasonable

the after said judicial determination to remedy the breach or default and Lessee falls to do so.

14. For the same consideration recited above, Lessor hereby grants, assigns and conveys unto Lessee, its successors and assigns, a perpetual subsurface well bore easement under and through the leased premises for the placement of well bores (along routes selected by Lessee) from oil or gas wells the surface locations of which are situated on other tracts of land and which are not intended to develop the leased premises or lands pooled therewith and from which Lessor shall have no right to royally or other benefit. Such subsurface well bore essements shall run with the land and survive any termination of this lease.

15. Lessor hereby warrants and agrees to defend title conveyed to Lessee hereunder, and agrees that Lessee at Lessee's option may pay and discharge any taxes, mortgages or liens existing, levied or assessed on or against the leased premises. If Lessee exercises such option, Lessee shall be subrogated to the rights of the party to whom payment is made, and, in addition to its other rights, may reimburse itself out of any royalties or shut-in royalties otherwise payable to Lessor hereunder. In the event Lessee has been furnished satisfactory evidence that such claim has been resolved.

16. Notwithstanding anything contained to the contrary in this lesse. Lessee shall not have any rights to use the aurface of the lessed premises for drilling or other

16. Notwithstanding anything contained to the contrary in this lease, Lessee shall not have any rights to use the surface of the leased premises for drilling or other

17. This lease may be executed in counterparts, each of which is deemed an original and all of which only constitute one original.

DISCLAIMER OF REPRESENTATIONS: Lessor acknowledges that oil and gas lease payments, in the form of rental, bonus and royalty, are market sensitive and may vary depending on multiple factors and that this Lease is the product of good faith negotiations. Lessor understands that these lease payments and terms are final and that Lessor entered into this lease without duress or undue influence. Lessor recognizes that lease values could go up or down depending on market conditions. Lessor acknowledges that no representations or assurances were made in the negotiation of this lease that Lessor would get the highest price or different terms depending on future market conditions. Neither party to this lease will seek to after the terms of this transaction based upon any differing terms which Lesson has or may negotiate with any other lessors follows. which Lessee has or may negotiate with any other lessons/oil and gas owners.

IN WITNESS WHEREOF, this lease is executed to be effective as of the date first written above, but upon execution shall be binding on the signatory and the signatory's

heirs, devisees, executors, administrators, successors and assign	is, whether or not this lease has bee	en executed by all parties hereinabove named as Lessor.
LESSOR (WHETHER ONE OR MORE)		
By: Kim Hacrison	By:	
7	ACKNOWLEDGMENT	4
STATE OF / EXAS COUNTY OF TAKENT		,
This instrument was acknowledged before me on the	day of Augu	25 7, 2009,
by: Kim Harrison a married per	son herein not jou	ned by spouse
	A CONTRACTOR OF THE PARTY OF TH	3 Sont
	SON SCOTT	otery Public, State of <u>Texus</u>
STA	TE OF TEXAS NO	otary's name (printed): Jasen, Seeff otary's commission expires: 111, 2112
My Comm	n. Exp. Apr. 17, 2012	4/1//12
GTATE OF		
STATE OF		
This instrument was acknowledged before me on the by:	day of	, 2009,
uy		
	Ne	otary Public, State of otary's name (printed): otary's commission expires:



## DALE RESOURCES LLC 2100 ROSS AVE STE 1870 LB-9

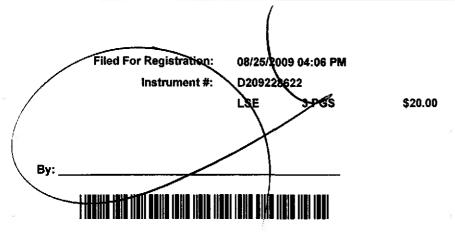
DALLAS

TX 75201

Submitter: DALE RESOURCES LLC

SUZANNE HENDERSON TARRANT COUNTY CLERK TARRANT COUNTY COURTHOUSE 100 WEST WEATHERFORD FORT WORTH, TX 76196-0401

## <u>DO NOT DESTROY</u> WARNING - THIS IS PART OF THE OFFICIAL RECORD.



D209228622

ANY PROVISION WHICH RESTRICTS THE SALE, RENTAL OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW.

Printed by: WD